

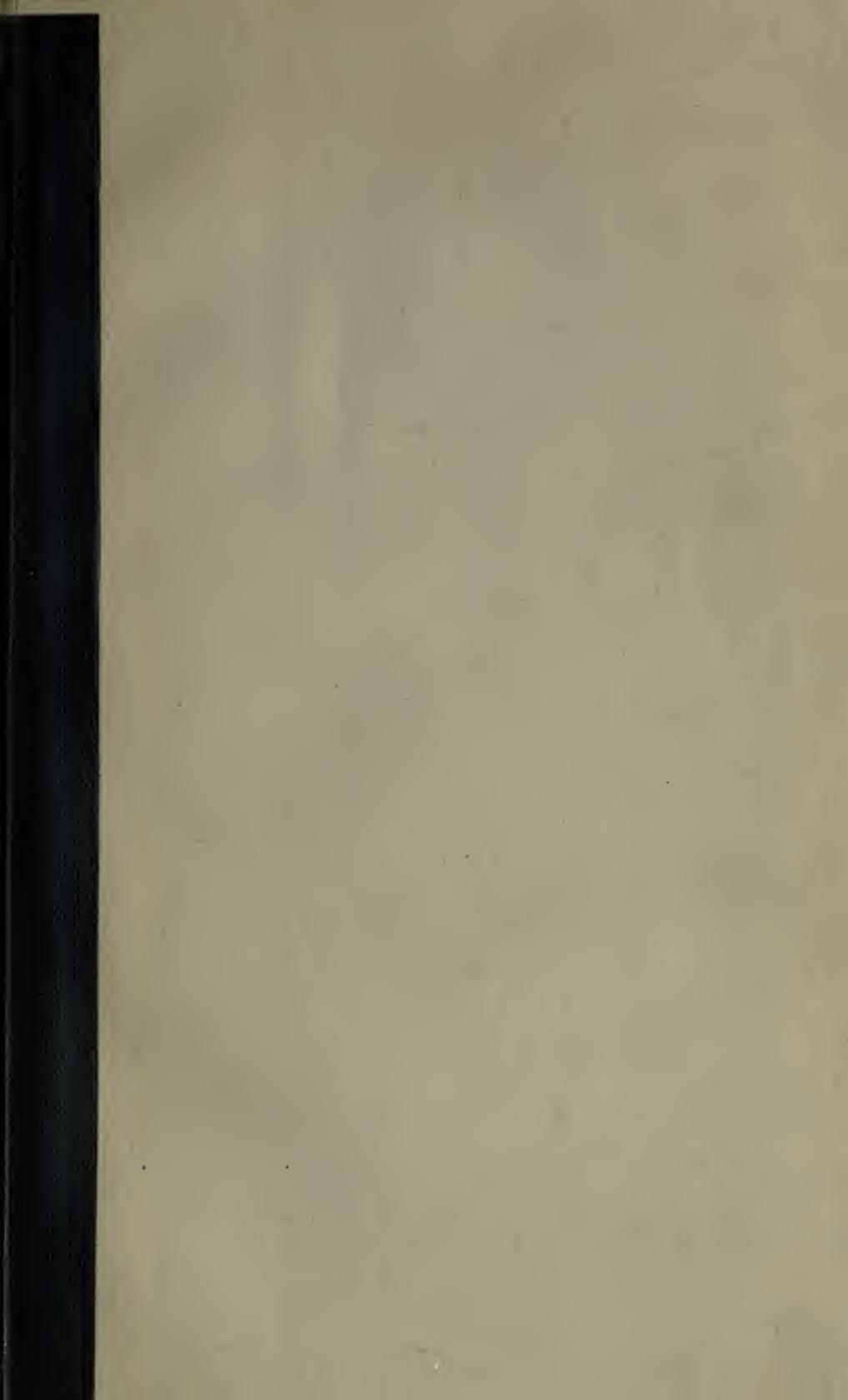
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ADDRESS OF
MORETON FREWEN,
OF ENGLAND,
AT THE
SECOND NATIONAL SILVER CONVENTION,
HELD AT WASHINGTON,
MAY 26, 27 and 28, 1892.

General Warner and Gentlemen: The very flattering terms in which you, General Warner, have introduced me to this Convention, I venture to accept as a recognition of the fact, that educated by the silver agitation in this country, a great and growing party is emerging in England also, and that a little later there as here the claims of silver will secure the support and the sanction of the Parliament of Great Britain.

I have undertaken at General Warner's request to make a short statement to-day in order to express, however inadequately, what I know to be the extreme gratitude of all the friends of silver in Europe at the position now at last taken by the enlightened democracy of this country. It is a melancholy thing to call the roll of dead heroes — of the distinguished dead who have passed away before their efforts in this great cause have been rewarded by victory; but a few weeks only before his death M. De Laveleye wrote to me, "the awakening intelligence of the great American nation is now the chief source of an encouragement which never fails me." [Applause.]

But, Mr. President, it appears to me that this Silver Question connects itself more closely with America than with any other country or continent, and this for two historic reasons, to which with your permission I will briefly allude. It is not too much to say that but

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for the discovery of America and the great flow of silver from the mines of Potosi, in Bolivia, there could never have been silver enough to make a silver question ; and once again, if it had not been for your action in demonetizing silver in 1873, that collapse of silver which has since occurred could never have taken place. A few words as to Potosi ; the discovery of that veritable silver mountain at the close of the sixteenth century justifies the statement of the last speaker (Mr. Stark of Ohio), that the range of modern prices all the world over was established by silver money and not by gold. The most startling economic phenomena in the history of the world's progress occurred during the first half of the seventeenth century, when the value of land in England rose from five pounds an acre to twenty-five pounds, when wages rose from two shillings a week to twelve, when wheat rose from a shilling a bushel to four shillings, when all prices of whatever commodities rose in the short period of thirty-five years from three to six hundred per cent. Now, no writer has ever questioned that this phenomenal rise of all prices was caused by that vast mass of silver from Potosi, which flowing into Europe in the hold of every Spanish galleon was admitted to free coinage at all the leading mints in Europe. And, if as Adam Smith, Mill and every eminent writer has expressly admitted that great rise of prices was caused by the free coinage of the silver of Potosi, does anyone question that had all that silver been suddenly demonetized and deprived of its legal tender value, after prices had been thus elevated, all prices must have fallen again just as rapidly as they rose ; and where then would have been the property of the honest investor who had bought his land for twenty-five pounds per acre, leaving say, one-half of the purchase money secured by a mortgage on that acre, if the acre had fallen in value to five pounds because of this tampering with the currency ? And it is this confiscation of property—of vested rights—by the manipulation and contraction of the western currencies which forms to-day what we call the Silver Question, and seeing that for all the world the silver question was cradled in America, America is bound to exert herself and help us all out.

But, Mr. President, let us come to more modern times, and, as I have been listening during the past two days to a good deal of most interesting and effective abuse of England by speakers in this hall, I propose, if you will permit me, to "talk back." You are inclined to arrogate to your nation the position of having done your duty by silver, indeed, of having almost single-handed supported the white metal against the onslaught of perfidious Britain. Now, I venture

to say that you have done no such thing. The boot is, it appears to me, on the other leg. What has been the silver record of this country? Earlier in the century, when France was taking all the silver offered her at \$1.32 per standard ounce, you were brave enough to profess bimetallism at a worse ratio, so that you offered \$1.29 per ounce for what Paris was buying at \$1.32. Well, there was nothing very valiant in such support as this, but mark what followed. In 1873, when it had become evident you would shortly resume specie payments and when it was already decided that Germany was about to flop over from a silver standard to a gold standard, here was just the psychological moment when you could have effectively displayed the faith that was in you, and what did you do? You actually struck silver off your statute laws at the very moment when France was about to attempt gallantly to take five hundred million ounces of that metal from Germany and to give gold for it. Such was the moment selected by your nation—the nation which was, so to speak, leading the second line of reserve—to disband your forces in full sight of the enemy and to run without firing a shot. When you have elucidated the mystery of your Anti-Silver Act of 1873 and punished the perpetrators by exclusion from public life the strangest chapter of currency history will have been written. But for your surrender it is now well known in Europe that France would not have closed her mints, at the utmost she would have adapted her ratio to yours, and, with mints here open at 1 to 16 and in Paris at 1 to 16, silver could never have fallen below \$1.29 per ounce.

And now a word as to the position of Great Britain. I venture to think I may turn the tables on those here who accuse us of doing less than our duty. At the time that Germany was melting up and selling her silver, treating it at the demand of some Jew bankers in Berlin, like so much old clothes, and while you here were monkeying with the very letter of your Constitution, we in England were and to-day are keeping open mints for the free coinage of silver in a vast portion of our Empire. Two hundred and eighty millions of people may take silver bullion to the mints of India and have the Queen's head stamped on it free of cost. Just consider these figures for a moment; since the passage of the Bland Bill this country has absorbed annually some thirty million dollars of silver, India, during all those years, has annually absorbed not less than forty millions! If you would do what we do—if you would keep open mints west of the Alleghanies to silver, and east to gold—well, that while not a scientific solution of bimetallism, is yet one that would settle the

question for all time. It is I know the fashion to ascribe the extreme steadiness of the gold price of silver during the first seventy years of this century to the bimetallic system of France, as Senator Stewart mentioned last night here, while in the early years of the century the mines were producing three times as much silver as gold, and after 1850 three times as much gold as silver, yet the ratio was steady because of the French system. But if we look more closely what do we see at the back of the French system? Actually France was only a money changer; silver went to France and was exchanged for gold, and if too much silver came, then French or English merchants took silver to India, to our straits settlements on the Malay Peninsula, or to our treaty ports in China, and bought with this silver, tea, silk, wheat, jute, cotton, a thousand things which consigned to London was exchanged there for gold; so that really France was nothing but the world's money changer, and any $15\frac{1}{2}$ ounces of silver which France took was a demand draft (exchangeable through all the exports of Asia) for an ounce of gold in the Bank of England. And just in the same way should this country to-morrow go to free coinage, this country would in turn merely be as France was, the world's money changer. Any sixteen ounces of coined silver here will buy its share of the five hundred million dollars of Indian produce on its way to Europe to be sold for European gold, and you Americans would have exchange facilities such as France never had, from the fact that thousands of millions of your best railway securities are bought and sold in London, and while they can be bought on this market for silver dollars they can be sold in London for gold sovereigns. Why, Mr. President, maintaining what is called the par of exchange between silver and gold would be mere child's play for a country with your wealth, your population, and your vast exporting capacity!

That you can go to free coinage without disaster I am fully convinced; of course, panic mongers in New York who profit by panics can make a panic, but what I mean is that with free coinage no considerable amount of coined silver from Europe could be sent here; indeed, the only silver that would reach you from Europe would be at most ten million ounces from Austria. It is to be said of those who established the ratio of 1 to 16 in this country, that they "builded better than they knew." All the coined silver of Europe being legal tender at a value 3 per cent. higher than here, is precluded from your mints were your mints open to the free coinage of silver. Suppose France were to open her mints to free coinage at 1 to $16\frac{1}{2}$, does any-

one suppose that your standard dollars would be melted and exchanged at that ratio for French gold at a loss of 3 per cent? It is the absurdity of this "dumping-ground" argument that suggests to us that the enemies of silver in this country are not always honest in their opposition. [Cheers.] But while many intelligent people here are not always alarmed at the imaginary dangers of free coinage, they do not always recognize the immense importance to your farmers of higher rates for silver—they do not recognize that whenever the price of silver falls, the price of wheat, cotton, and other produce must fall also. This is a question, to which when in India, I gave very close study, and I should like to make this general statement, which I am convinced the experience of the past and of the future will amply confirm—let me put it briefly in this way; the price of wheat in this country, is its price in London or Liverpool, less the cost of carriage from here there, and the London price of wheat is, under ordinary conditions, one ounce of silver per bushel of wheat. Your farmers will always have to sell a bushel of wheat, say in Chicago, for an ounce of silver less freight charges to London; if then, silver is worth \$1.29 per ounce, the London price of American wheat is a dollar and twenty-nine cents, while, if silver is worth ninety cents, then your wheat will only realize ninety cents. This is a statement that will bear close examination, and it is the sum of the importance of the silver question to your nation. When in the Punjab three years ago I went very closely into the cost of producing wheat there. In that one Indian province the area devoted to wheat growing is twice that of the wheat area of all Great Britain; the irrigation system organized by our Government is perfect, so that harvest returns are extremely uniform, and the figures I arrived at and which have not been called in question, go to prove that the Punjaubee wheat farmer will always make a living profit by selling his wheat in Europe for twenty-one silver rupees per quarter. And if this is the case the competition of tens of thousands of small wheat farmers in India will always suffice to sell wheat in Europe down to that price. Now, twenty-one rupees a quarter is an ounce of silver per bushel, and seeing that the value of the rupee in India to buy land or labor or any local commodity is actually a little greater than it was before the gold price of silver fell, I hold that we are justified in stating that the price of a bushel of wheat, whether American or Indian, in the London market, has been in the past and will be in the future neither more nor less than one ounce of silver. Admitting, then, what all students of prices do admit, namely, that

the purchase power of the rupee in India is well maintained, the fact that the price of wheat and cotton falls with the price of the silver exchanges between Europe and Asia is not for a moment open to doubt.

Mr. President, the continued fall in the bullion price of silver is leading us also to a very dangerous crisis. Remember, that any one who buys sixty-five cents' worth of silver in the market and imitates the mint stamp has got as "good a dollar as any other dollar"—a dollar that once coined can be issued without risk. Suppose this profit of thirty-five per cent. induced false coinage on a large scale, would not this lead to the complete demonetization of silver? In order to guard the community here and in France also against such temptation suppose I say your standard dollars were to be fabricated wholesale north of the line in Canada or south in Mexico, how could you prevent these dollars from being passed over the frontier? And I may mention in this connection that some years since an issue of Sicilian dollars having been called in more of these dollars were returned than had ever passed out of the mints, so that we have really now arrived at that position where it is dangerous to stand still, impossible to go back and where free coinage is the only possibility of making silver "honest money"—money that will stand the test of the melting pot.

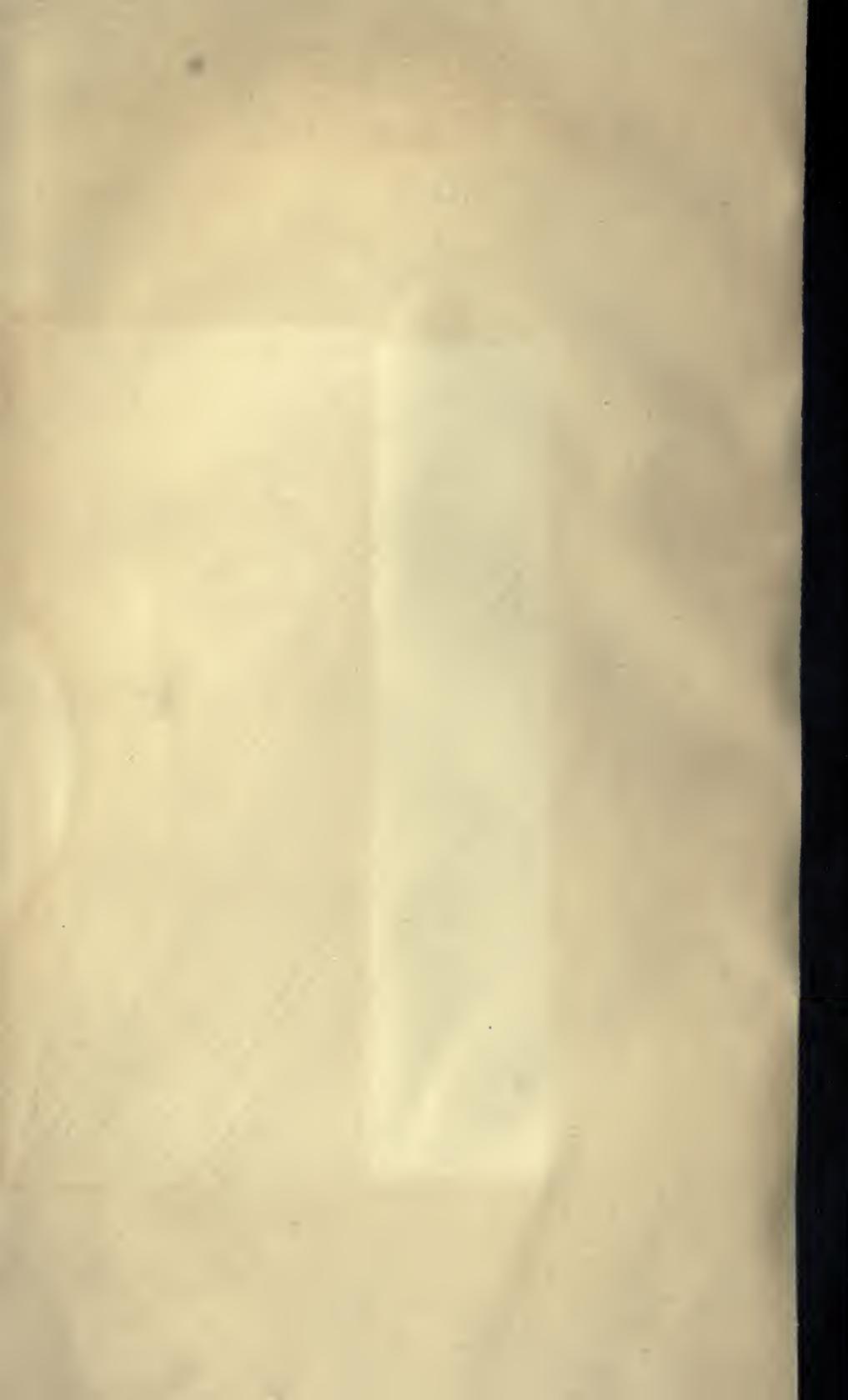
And now, Mr. President, I should like to say a few words on behalf of a proposal that is not I am aware very popular with silver men on this side the water, and that is the calling of another monetary conference. The attitude of England at previous conferences has been such that little interest is attached on this side the water to anything we are likely to do, but I venture to call your attention to the very different position the silver question has now assumed in England. During these ten years an enlightened public opinion has been prepared, over a hundred members of Parliament are on the list of the League, the labor organizations are to-day speaking out for cheap and abundant money, while in so important a chamber of commerce as Manchester we have to-day a clear majority. The London chamber is also largely leavened with bimetallists. From these and a hundred kindred symptoms I believe almost anything is possible from the changed attitude of the England of to-day. [Cheers]. And what we want in England more than any other thing is the calling of just such a conference as this to sit in London. I am aware that by many the conference is regarded as a mere administration dodge to evade the question and to give the gold men a

renewed lease of power under a new administration. [Cheers.] Yes, I am aware that is the view; still, should this conference be in session in London while Parliament is sitting, should it be reported in the press, the speeches being delivered in the English language, I believe that public opinion, at this moment arousing itself over this question, would be largely won over by the logical attitude of our cause. I am sure I express the strong sentiment of the Silver League in Great Britain, and the sentiment of every man here who has the best interests of silver at heart, when I say that the meeting should be supported by you all, and that it should be called in London.

And now, before I sit down, I should like to say just one word about the political surroundings of this question in England. You are not to suppose for a moment that the liberal party of Great Britain, who are hostile to-day to the remonetization of silver, are entirely blind to the merits and the arguments of the question. Let us take Mr. Gladstone's attitude, it is the attitude of the most important living Englishman in connection with this matter, and it is reflected by his followers and by all the "know nothings" of English political life. You are aware we in England have gone all lengths during the last forty years in the direction of what we call free trade; that is, "free imports," and anything in the world that would force down the price of the necessities of life has been our chief maxim of financial policy. This being so, bear in mind the position with which Mr. Gladstone finds himself when confronted in the evening of his life by this enormous question. He knows as well as anyone in this room that the cheaper silver is the lower will be the prices of wheat and cotton. He recognizes that position thoroughly. He knows perfectly well that by cheapening the price of silver the export of wheat and cotton from India, which competes with your exports from here, must force down the price of these staples in the London market. Our liberal leaders, therefore, are in this frame of mind. They say it is quite true that the fall in the price of silver by stimulating agricultural production in India is dealing unfairly with the farmers of the United States who sell here, but we have before now dealt hard measures with our own landed interest. We passed anti-corn law legislation, and such is the condition that free trade has attached to the cultivation of our soil that the land is ceasing to be cultivated. If we have done all this harm and disaster for a section of our people are we to accept a silver remedy for the fall of prices in order to benefit the farmers of America. This, then, is the argument we have

got to meet in England—that whatever forces down the price of flour and cotton must be good for England.

The other English argument I need hardly notice—that libelous and impudent objection to silver which is urged or used to be by a handful of English bankers and their press organs, namely, that England owes her commercial supremacy to the gold standard. There is indeed just one small section of our community who, themselves foreigners, and foreigners generally of Semitic origin [cheers], could venture to ascribe to monetary regulations that predominance which the Anglo Saxon communities owe to the enterprise, the wisdom and the decision of their forefathers, and who for their own ends profess to see in the silver-using England of Cecil of Cromwell and of Pitt a nation in any way the inferior of our England to-day.



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